

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 L-03 TRSE-00 AID-05 CIAE-00 COME-00
EB-08 FRB-03 INR-07 NSAE-00 USIA-06 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15
STR-04 CEA-01 /085 W
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R 262221Z JUL 77
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 3791

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E.O. 11652: N/A
TAGS: ETRD, MX
SUBJECT: TRADE: MEXICO AND GENERALIZED SCHEME OF
PREFERENCES (GSP).

1. FONOFF'S DIRECTOR GENERAL FOR INTERNATIONAL ECONOMIC
AFFAIRS, HUGO DIAZ THOME, ASKED EMBASSY OFFICER TO COME
TO FOREIGN RELATIONS JULY 21 TO DISCUSS MEXICAN UTILIZA-
TION OF GSP. DISCUSSION WAS PROMPTED BY LETTER FROM
HEAD OF IMCE (MEXICAN INSTITUTE FOR FOREIGN TRADE - GOM
AGENCY RESPONSIBLE FOR EXPORT PROMOTION) TO FOREIGN
MINISTER COMPLAINING OF POOR MEXICAN UTILIZATION OF GSP,
AND SUGGESTING WAYS OF IMPROVING MEXICAN UTILIZATION.

2. BASICALLY, IMCE HEAD RECOMMENDED FORMAL FONOFF APPROACH
TO USG TO SEEK COOPERATION OF US CUSTOMS SERVICE TO
IDENTIFY FROM CUSTOMS RECORDS MEXICAN EXPORTERS AND US
IMPORTERS. ONCE GOM RECEIVED THIS INFORMATION, IMCE
WOULD FOLLOW UP WITH MEXICAN EXPORTERS TO MAKE SURE THEY
AWARE OF US GSP PROVISIONS AND TO ENSURE THEY TAKE FULL
ADVANTAGE OF GSP PROVISIONS. IMCE RECOGNIZED US LAWS
AND REGULATIONS CONCERNING CONFIDENTIALITY OF US CUSTOMS
RECORDS COULD POSE PROBLEM FOR USG IN MEETING SUCH A
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REQUEST, BUT STILL IT THOUGHT THE IDEA WORTH
EXPLORING.

3. DIAZ THOME SAID THAT IN CONNECTION WITH IMCE REQUEST,
SAENZ OF MEXICAN EMBASSY IN WASHINGTON HAD PROVIDED
FOLLOWING INFORMATION ON MEXICAN UTILIZATION OF GSP IN
EXPORTS TO US: OVER ONE BILLION DOLLARS OF MEXICO'S EX-

PORTS TO US ARE COVERED BY GSP. HOWEVER, OF THESE, \$424 MILLION ARE EXCLUDED FROM GSP PROVISIONS BECAUSE OF 50 PERCENT LIMITATION, AND ANOTHER \$360 MILLION DO NOT RECEIVE GSP TREATMENT BECAUSE US IMPORTERS (SIC) DO NOT SEEK DUTY EXEMPTIONS. AS A RESULT, ONLY \$253 MILLION OF MEXICAN EXPORTS ENTER US FREE OF DUTY UNDER GSP PROVISIONS.

4. DIAZ THOME TOLD EMBOFF HE PERSONALLY FELT IMCE PLAN FOR UTILIZING US CUSTOMS RECORDS TO IDENTIFY MEXICAN EXPORTERS TOO COMPLEX, AND INDICATED HE WOULD LIKE TO EXPLORE OTHER MEANS BY WHICH MEXICAN EXPORTERS COULD BE INFORMED OF GSP. EMBOFF AGREED THAT IMCE PLAN POSED PROBLEMS, INCLUDING THAT OF CONFIDENTIALITY OF US CUSTOMS RECORDS AND ADDITIONAL WORKLOAD ON US CUSTOMS IN ORDER TO EXTRACT INFORMATION IMCE DESIRES.

5. EMBOFF NOTED THAT FOR MANY PRODUCTS GOM EXPORT LICENSES OR PERMITS ARE REQUIRED, AND SUGGESTED THAT MEXICAN CUSTOMS MIGHT BE USED TO OBTAIN INFORMATION ON MEXICAN EXPORTERS. HE ALSO NOTED THAT EMBASSY HAD RECENTLY PROVIDED IMCE WITH 4,800 COPIES OF USIS PRODUCED SPANISH-LANGUAGE BOOKLET ON US GSP PROVISIONS, CONTAINING FULL LISTING OF PRODUCTS ELIGIBLE FOR GSP, FOR USE IN VARIOUS IMCE TRAINING PROGRAMS (DIAZ THOME WAS UNAWARE OF THIS).

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6. AT CONCLUSION OF MEETING, EMBOFF SAID HE WOULD, NEVERTHELESS, REPORT APPROACH TO WASHINGTON AND OBTAIN DEPARTMENT'S VIEWS ON UTILIZING US CUSTOMS TO OBTAIN INFORMATION ON MEXICAN EXPORTERS.

7. ALTHOUGH DIAZ THOME DID NOT MENTION SEPTEMBER 30, 1976 BILATERAL AGREEMENT ON US-MEXICAN CUSTOMS COOPERATION DURING DISCUSSION, EMBASSY REVIEW OF THIS AGREEMENT INDICATES THAT TYPE OF US CUSTOMS COOPERATION ENVISAGED BY IMCE DOES NOT REPEAT NOT COME WITHIN SCOPE OF AGREEMENT.

8. EMBASSY CUSTOMS REPRESENTATIVE CONCURS IN THIS MESSAGE. LUCEY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, GENERALIZED PREFERENCES (TARIFFS), MEETINGS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MEXICO12386
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770267-0025
Format: TEL
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770719/aaaaapun.tel
Line Count: 109
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Litigation History:
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Message ID: e4e90d64-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Retention: 0
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Review Date: 28-Mar-2005 12:00:00 am
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Review Exemptions: n/a
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Subject: TRADE: MEXICO AND GENERALIZED SCHEME OF PREFERENCES (GSP).
TAGS: ETRD, MX, (THOME, HUGO DIAZ)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e4e90d64-c288-dd11-92da-001cc4696bcc
Review Markings:
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